

Dear State CSBG Administrators,

Health Care Reform

Today President Obama will sign into law the comprehensive health care overhaul (HR 3590) that the House cleared Sunday night. Moreover, the President is planning to travel the country to promote the measure, which has been viewed skeptically by some Americans.

With the majority in their party being opposed to the reform measure, Republicans plan to make it a major issue in this year's elections and GOP lawmakers in both chambers have introduced legislation to repeal the measure. Additionally, Republican governors and other GOP state officials have expressed opposition to the measure indicating that once the President signs it into law they will file a lawsuit arguing that the legislation is unconstitutional. Still, some state legislatures controlled by Republicans are considering, or have already approved, state laws that would block federal requirements in their states.

Meanwhile, the Senate is set to begin considering the health care "corrections" reconciliation measure. Democrats won a favorable ruling Monday from the Senate parliamentarian regarding a Social Security point of order Republicans planned to raise. Nonetheless, Republicans plan further challenges to the bill, with a long week of floor consideration expected to occur. If provisions are dropped, the modified measure will have to be returned to the House for further consideration after Senate passage, although House leaders say they expect they would have little trouble in clearing the measure.

Jobs Agenda

Today the House takes up the \$16.8 billion small-business and infrastructure tax measure (HR 4849) that was reported last week by the Ways and Means Committee. The measure is intended to help spur the creation of new jobs by helping small businesses and promoting infrastructure development. Provisions include those that would extend the Build America Bonds program through March 2013 and quadruple the amount that businesses can deduct this year and next for startup expenses. **The bill also includes \$2.5 billion in safety net spending, by extending for a year beyond its September 30th expiration date the emergency fund of the Temporary Assistance for Needy Families program.** The cost of the entire measure would be offset.

Continuing the Democrats' theme of spurring job creation through new laws, the House later this week will consider a bill that would provide funds for disaster relief and summer employment. Most of the money, \$5.1 billion, would go to replenish the Federal Emergency Management Agency (FEMA) disaster relief fund. **The bill (HR 4899) would also provide \$600 million for Labor Department grants to states for job training programs aimed at teenagers and young adults.** (Source: Congressional Quarterly)

We will keep you informed as things progress.